

☆RIM CRUDE/CONDENSATE INTELLIGENCE DAILY

★No.5972 Aug 5 2019

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--TOKYO, 15:30 JST Aug 5 2019<Assessment Closing Time>

## ◎Notice

### ○Design change for the transaction section in Rim Crude/Condensate Daily

Starting from Jul 8, Rim Intelligence has launched a revamped design for the section of "TRANSACTIONS OF THE DAY" in the Crude/Condensate Daily. Transactions in the past one week will be provided at the same time and the table format will make it easier to view information including sellers, buyers and prices.

### ○Additions of assessments

Rim Intelligence started assessments for Brazilian Lula, Congo's Djeno, Angolan Dalia, East Siberian ESPO and Oman on DES Shandong basis effective from July 1.

## ◎RECX-22 index

RECX-22 index for Monday was 91.47, down 3.51 points from the previous day.

### -----Introduction of Rim reports-----

Please access the URL below for a lineup of Rim reports. You can view sample reports as well as detailed explanations on the contents:

<https://eng.rim-intelligence.co.jp/first/report>

Lineup:

Bunker Oil	Crude/Condensate	Products	
LPG	Petrochemicals	Polyolefins	
LNG	South Asia Gas (Weekly)	Daily Data	Rim Data File

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©Tokyo Spot Crude/Condensate Assessments (05Aug19)					
OCash Crude					
	Sep	Oct	Nov	Dec	Jan
WTI	54.92 – 54.97	54.92 – 54.97	54.89 – 54.94	54.80 – 54.85	54.64 – 54.69
BFO	–	60.98 – 61.03	60.44 – 60.49	59.92 – 59.97	59.61 – 59.66
JPN DTD**	60.54 – 60.59	59.92 – 59.97	59.31 – 59.36	58.86 – 58.91	58.68 – 58.73
Dubai	–	59.75 – 59.80	58.84 – 58.89	57.96 – 58.01	57.20 – 57.25
Spreads					
	Sep	Oct	Nov	Dec	Jan
WTI/BFO	/	-6.09 / -6.04	-5.58 / -5.53	-5.15 / -5.10	-5.00 / -4.95
BFO/Dubai	/	1.20 / 1.25	1.57 / 1.62	1.93 / 1.98	2.38 / 2.43
Oman/Dubai	/	0.97 / 1.02	1.04 / 1.09	1.03 / 1.08	1.02 / 1.07
Intermonth Spreads					
	Sep/Oct	Oct/Nov	Nov/Dec	Dec/Jan	Jan/Feb
BFO	/	0.51 / 0.56	0.49 / 0.54	0.28 / 0.33	0.13 / 0.18
Dubai	/	0.88 / 0.93	0.85 / 0.90	0.73 / 0.78	0.58 / 0.63
Oman*	/	-0.02 / 0.02	-0.02 / 0.02	-0.02 / 0.02	-0.02 / 0.02

\*Intermonth spreads of Oman are premiums/discounts to OSP.  
 \*\*JPN DTD refers to JPN Dated Brent, or Dated Brent assessed by RIM at 15:30 Tokyo time.

OPaper Crude					
	Aug	Sep	Oct	Nov	Dec
Dubai Swaps	59.75 – 59.79	58.84 – 58.88	57.96 – 58.00	57.20 – 57.24	56.59 – 56.63
DME/Dubai	0.96 / 1.04	1.03 / 1.11	1.02 / 1.10	1.01 / 1.09	0.98 / 1.06
Murban OSP Swaps	2.75 / 2.95	2.70 / 2.90	2.65 / 2.85	/	/
JPN DTD/Dubai	/	1.68 / 1.72	1.94 / 1.98	2.09 / 2.13	2.25 / 2.29

\*DME/Dubai is the spread between DME Oman swaps and Dubai swaps.

OSingapore Crack Margins (Against Dubai Swaps, in \$/bbl) (02Aug19)				
	Aug	Sep	Oct	
Naphtha	-7.39	-6.94	-6.42	
Jet/Kerosene	15.61	16.26	16.93	
Gasoi l 0.001%S	16.56	17.16	17.73	
FO 180cst 3.5%S	0.84	-4.11	-7.54	
FO 380cst 3.5%S	-0.47	-5.64	-9.54	

OSingapore Crack Margins (Against DTD Brent, in \$/bbl) (02Aug19)				
	Aug	Sep	Oct	
Naphtha		-8.57	-8.38	
Jet/Kerosene		14.63	14.97	
Gasoi l 0.001%S		15.53	15.77	
FO 180cst 3.5%S		-5.74	-9.50	
FO 380cst 3.5%S		-7.27	-11.50	

OPhysical Crude/Condensate (Middle East)		
—October—	Outright Values	Premiums
Dubai*	- 59.75 – 59.80 -	+ 1.77 / 1.82 +
Oman	- 60.75 – 60.80 -	0.02 / 0.07
Oman*	- 60.75 – 60.80 -	+ 2.77 / 2.82 +
Murban	- 60.66 – 60.71 -	-0.07 / -0.02
Umm Lulu	- 60.83 – 60.88 -	-0.05 / 0.00
Das	- 60.09 – 60.14 -	-0.07 / -0.02
Upper Zakum	- 59.71 – 59.76 -	0.05 / 0.10
Qatar Land	- 59.61 – 59.66 -	+ 0.13 / 0.18 +
Qatar Marine	- 59.46 – 59.51 -	0.10 / 0.15
Al Shaheen*	- 60.25 – 60.30 -	+ 2.27 / 2.32 +



Banoco Arab Medium**	- 59.79 - 59.84 -	0.03 / 0.08
Basrah Light	- 60.94 - 60.99 -	1.18 / 1.23
Basrah Heavy	- 58.89 - 58.94 -	1.18 / 1.23
D.F.Condensate*	- 59.16 - 59.21 -	1.18 / 1.23
L.S.Condensate*	- 56.66 - 56.71 -	-1.32 / -1.27
South Pars*	- 55.21 - 55.26 -	-2.77 / -2.72
Masila***	- 59.36 - 59.41 -	-0.56 / -0.46
Marib Light***	- 59.56 - 59.61 -	-0.36 / -0.26
<b>—November—</b>	<b>Outright Values</b>	<b>Premiums</b>
Dubai*	- 58.84 - 58.89 -	- 1.62 / 1.67 -
Oman	- 59.91 - 59.96 -	0.02 / 0.07
Oman*	- 59.91 - 59.96 -	+ 2.69 / 2.74 +

\*Premiums for Dubai, Oman, Al Shaheen and D.F.Condensate, L.S.Condensate, South Pars are over Dubai quotes.

\*\*Premium for Banoco Arab Medium is over Saudi Aramco formula for Arab Medium.

\*\*\*Premiums for Masila and Marib Light are over JPN DTD.

-Premiums for all other grades are over each OSP.

-D.F.Condensate is Deodrised Field condensate.

#### OOSP Calculations (Middle East)

<b>—September—</b>	<b>Outright Values</b>
Arab Super Light	- 62.43 - 62.48 -
Arab Extra Light	- 61.08 - 61.13 -
Arab Light	- 61.08 - 61.13 -
Arab Medium	- 60.63 - 60.68 -
Arab Heavy	- 60.03 - 60.08 -
Basrah Light	- 60.63 - 60.68 -
Basrah Heavy	- 58.58 - 58.63 -
Kuwait Super Light	- 60.93 - 60.98 -
Kuwait Export Blend	- 60.28 - 60.33 -
Iranian Light	- 60.58 - 60.63 -
Iranian Heavy	- 59.28 - 59.33 -

OSP Calculations are expected values of OSPs to be applied in the following month and are calculated based on the latest available price formulas set by oil producers and prices of Dubai and Oman crudes.

#### OPhysical Crude/Condensate (Africa)

<b>—September—</b>	<b>Outright Values</b>	<b>Premiums</b>
Bonny Light*	- 62.54 - 62.64 -	2.00 / 2.10
Brass River*	- 62.54 - 62.64 -	2.00 / 2.10
Qua Iboe*	- 62.59 - 62.69 -	2.05 / 2.15
Agbami*	- 60.34 - 60.44 -	-0.20 / -0.10
Cabinda*	- 61.99 - 62.09 -	1.45 / 1.55
Djeno*	- 60.99 - 61.09 -	+ 0.45 / 0.55 +
Girassol*	- 63.29 - 63.39 -	2.75 / 2.85
Hungo*	- 61.74 - 61.84 -	1.20 / 1.30
Nemba*	- 61.34 - 61.44 -	0.80 / 0.90
Dalia*	- 62.99 - 63.09 -	2.45 / 2.55
Pazflor*	- 62.99 - 63.09 -	2.45 / 2.55
Zafiro*	- 60.49 - 60.59 -	-0.05 / 0.05
Doba*	- 60.54 - 60.64 -	0.00 / 0.10
Nile Blend*	- 60.54 - 60.64 -	0.00 / 0.10
Dar Blend*	- 58.49 - 58.59 -	-2.05 / -1.95

\* All premiums are over JPN DTD.

#### OPhysical Crude/Condensate (Other)

<b>—October—</b>	<b>Outright Values</b>	<b>Premiums</b>
Sokol*	- 62.86 - 62.96 -	4.90 / 5.00



Sakhalin B*	- 60.31 - 60.41 -	2.35 / 2.45
ESPO**	- 63.71 - 63.81 -	5.75 / 5.85
Azeri***	- 64.67 - 64.77 -	4.75 / 4.85
Urals****	- 63.37 - 63.47 -	3.45 / 3.55
Forties****	- 62.52 - 62.62 -	2.60 / 2.70
CPC Blend****	- 61.07 - 61.17 -	1.15 / 1.25
Castilla B*****	- 60.06 - 60.16 -	2.10 / 2.20
WTI*****	- 61.46 - 61.56 -	3.50 / 3.60
Mars*****	- 61.11 - 61.21 -	3.15 / 3.25

\*Premiums for Sokol and Sakhalin B are over Dubai quotes on CFR Yosu.

\*\*Premium for ESPO is over Dubai quotes on FOB Kozmino.

\*\*\*Premium for Azeri is over JPN DTD on CFR South East Asia.

\*\*\*\*Premiums for Urals, Forties and CPC Blend are over JPN DTD on CFR North East Asia.

\*\*\*\*\*Premiums for Castilla B, WTI and Mars are over Dubai quotes on CFR North East Asia.

OPhysical Crude/Condensate (DES Shandong)		
—October—	Outright Values	Premiums
Lula*	- 64.62 - 64.72 -	+ 4.70 / 4.80 +
Dalia*	- 64.17 - 64.27 -	4.25 / 4.35
Djeno*	- 63.67 - 63.77 -	3.75 / 3.85
ESPO*	- 64.82 - 64.92 -	4.90 / 5.00
Oman*	- 62.37 - 62.47 -	2.45 / 2.55

\* All premiums are over ICE Brent on DES Shandong in China.

OPhysical Crude/Condensate (Asia)			
—September—	Outright Values	Prem. (vs ICP)*	Prem. (vs JPN DTD)*
Minas	- 62.50 - 62.60 -	0.95 / 1.05	1.95 / 2.05
Cinta	- 62.25 - 62.35 -	0.25 / 0.35	1.70 / 1.80
Widuri	- 62.30 - 62.40 -	0.35 / 0.45	1.75 / 1.85
Duri	- 61.95 - 62.05 -	1.55 / 1.65	1.40 / 1.50
Lalang	- 62.70 - 62.80 -	1.25 / 1.35	2.15 / 2.25
Handil Mix	- 60.95 - 61.05 -	1.70 / 1.80	- 0.40 / 0.50 -
Attaka	- 63.55 - 63.65 -	1.55 / 1.65	- 3.00 / 3.10 -
Belida	- 63.10 - 63.20 -	1.00 / 1.10	- 2.55 / 2.65 -
Ardjuna	- 60.60 - 60.70 -	1.50 / 1.60	- 0.05 / 0.15 -
Arun Con	- 53.85 - 53.95 -	1.90 / 2.00	- 6.70 / -6.60 -
Walio	- 58.35 - 58.45 -	1.30 / 1.40	- 2.20 / -2.10 -
Senipah Con	- 53.85 - 53.95 -	1.90 / 2.00	- 6.70 / -6.60 -
Banyu Urip	- 63.70 - 63.80 -	+ -2.45 / -2.35 +	+ 3.15 / 3.25 +

\*Prem. is an abbreviation for Premiums.

—September—	Outright Values	Premiums
Tapis*	- 64.34 - 64.44 -	3.80 / 3.90
Labuan*	- 66.09 - 66.19 -	5.55 / 5.65
Kikeh*	- 65.94 - 66.04 -	5.40 / 5.50
Miri*	- 65.94 - 66.04 -	5.40 / 5.50
Kimanis*	- 66.09 - 66.19 -	5.55 / 5.65
Gendor*	- 66.39 - 66.49 -	5.85 / 5.95
Gippsland*	- 57.34 - 57.44 -	-3.20 / -3.10
Cossack*	- 59.09 - 59.19 -	-1.45 / -1.35
NWS Con*	- 56.39 - 56.49 -	-4.15 / -4.05
Laminaria*	- 56.29 - 56.39 -	-4.25 / -4.15
Ichthys Con*	- 60.74 - 60.84 -	0.20 / 0.30
Varanus*	- 59.59 - 59.69 -	-0.95 / -0.85
Kutubu*	- 59.49 - 59.59 -	-1.05 / -0.95
Daqing**	- 62.83 - 62.93 -	0.60 / 0.70

Vincent*	- 74.24 - 74.34 -	13.70 / 13.80
Pyrenees*	- 74.49 - 74.59 -	13.95 / 14.05
Van Gogh*	- 73.69 - 73.79 -	13.15 / 13.25
Bach Ho Light*	- 65.04 - 65.14 -	4.50 / 4.60
Bach Ho Heavy*	- 64.34 - 64.44 -	3.80 / 3.90
Rang Dong*	- 64.39 - 64.49 -	3.85 / 3.95
Su Tu Den*	- 64.79 - 64.89 -	4.25 / 4.35
T.G.T.*	- 64.74 - 64.84 -	4.20 / 4.30
Chim Sao*	- 65.49 - 65.59 -	4.95 / 5.05

\*Premiums are over JPN DTD.  
 \*\*Premium for Daqing is over OSP.

OOSP Calculations (Asia)	
—August—	Outright Values
Seria Light	- 66.46 - 66.56 -
Champion	- 66.51 - 66.61 -

OSP Calculations are expected values of OSPs to be applied in the current month and are calculated based on the latest available price formulas set by oil producers and prices of JPN DTD.

©Rim Crude Index	
—Indonesian Crude Basket Prices—	
Indonesian Light Crude Basket Price	- 62.53 - 62.63 -
Indonesian Medium Crude Basket Price	- 62.35 - 62.45 -
Indonesian Medium-Heavy Crude Basket Price	- 62.25 - 62.35 -

—Rim Special Crude Basket Prices—	
Crude Basket Price for China Products*	- 60.85 - 60.95 -

\*The average price of Dubai, JPN DTD, Cinta, to which the Chinese government refers when adjusting domestic retail prices for refined products.

—Shanghai Crude Futures Index—		
	\$/bbl	Yuan/bbl
Shanghai Medium Sour Crude Index	- 61.45 - 61.55 -	- 425.72 - 425.82 -

\*The index is based on delivered prices of Dubai, Oman, Upper Zakum, Qatar Marine, Basrah Light, Masila and Shengli.  
 \*\*Exchange rate: 6.9225 (Yuan/\$)

©Shanghai INE Crude Futures (05Aug19) (Yuan/bbl)				
	Sep	Oct	Nov	Dec
Settle	433.4	435.8	436.1	435.0
Change	+1.9	+1.9	+1.6	+2.1
Open	430.4	432.0	434.2	432.4
High	437.8	439.9	439.8	438.7
Low	429.0	432.0	432.5	431.2

Volume: 320,744    Open Interest (Aug 05): 60,018

©TOCOM Mideast Crude Futures/Day Session (05Aug19) (Yen/kl)						
	Aug	Sep	Oct	Nov	Dec	Jan
Change	-790	-970	-910	-990	-850	-830
Volume	37	155	157	458	3,389	2,788
Open	40,520	39,530	39,030	38,310	37,820	37,380
High	40,530	39,590	39,030	38,350	37,910	37,530
Low	40,050	39,150	38,490	37,890	37,370	37,010
Settle	40,070	39,150	38,510	37,890	37,370	37,010

Open Interest (Aug 02): Short=49,487/Long=49,487    1lot = 50kl  
 Exchange rate: 106.35



©NYMEX WTI Crude Futures (02Aug19)				
	Sep	Oct	Nov	Dec
Settle	55.66	55.67	55.66	55.56
Change	+1.71	+1.66	+1.63	+1.61
Open	54.54	54.83	54.65	54.48
High	56.05	56.09	56.10	56.00
Low	54.15	54.22	54.24	54.12
Estimated Volume: 1,236,648      Open Interest (Aug 01) : 2,067,584				

©ICE Brent Crude Futures (02Aug19)				
	Oct	Nov	Dec	Jan
Settle	61.89	61.32	60.80	60.46
Change	+1.39	+1.36	+1.31	+1.33
Open	61.16	60.61	60.09	59.71
High	62.95	62.29	61.74	61.33
Low	60.98	60.43	59.95	59.59
Weighted avg	62.07	61.47	60.94	60.61
Estimated Volume: 925,656      Open Interest (Aug 01) : 2,251,785				

©TRANSACTIONS REPORTED							
ONORTH SEA/AFRICA/AMERICA/RUSSIA CRUDE/CONDENSATE DEALS DONE							
Date	Grade	Seller	Buyer	Volume (kb)	Price	Timing	Remarks
Jul 29	WTI MIDLANDS	P&C	SOUTH KOREA END-USER	1,000	P&C	Sep-19	
Jul 29	WTI LIGHT	P&C	SOUTH KOREA END-USER	500-1,000	P&C	Sep-19	
Jul 29	COLD LAKE	P&C	SK ENERGY	LESS THAN 500	WTI LINKED PRICE	Sep-19	
Jul 29	COLD LAKE	P&C	INDIA END-USER	1,000	HEFTY DISCOUNT TO DUBAI	Oct-19	ARRIVAL
Jul 30	ESPO	ROSNEFT	VITOL	740 x 2	DUBAI+\$5.50/+5.80	Sep-19	
Jul 30	SOKOL	ROSNEFT	JXTG	700	DUBAI LINKED	Sep-19	FRAME
Jul 30	CABINDA	CHEVRON	CHINA END-USER	950	DUBAI+MID \$1.00	Sep-19	
Jul 30	AGBAMI	CHEVRON	PTT (FOR IRPC)	950	DTD +ABOVE \$3.00	Sep/Oct-19	ARRIVAL, SELLER, PRICE REVISED
Jul 31	GIRASSOL	TOTAL	EXXONMOBIL	950	DTD+HIGH \$2.00	Sep-19	EARLY SEP LOADING
Aug 01	NILE BLEND	SENNING	TRADER	1,000	DTD +SMALL PREMIUM	Aug-19	BUYER REVISED
Aug 01	BONNY LIGHT	SHELL	TUPRAS	1,000	DTD LINKED PRICE	Sep-19	
Aug 01	ANS	BP	CHINESE TEAPOT	600-1,000	P&C	Sep-19	SELLER REVISED
Aug 01	RONCADO R HEAVY	PETROBRAS	INDIA END-USER	1,000-2,000	DTD LINKED PRICE	Sep-19	ARRIVAL
Aug 01	LULA	PETROBRAS	CHINESE TEAPOT	1,000	ICE BRENT +ABOVE \$4.50	Oct-19	ARRIVAL
Aug 01	DJENO	ENI	CHINA END-USER	920	DTD + 50CTS	Sep-19	BUYER REVISED, PRICE REVISED
Aug 02	SOKOL	TRAFIGURA	PAR PETROLEUM	700	DUBAI + HIGH \$4.00	Sep-19	SEP 23 LOADING
Aug 05	WTI MIDLANDS	P&C	THAI EN-USER	1,000-2,000	DTD LINKED	Oct-19	ARRIVAL
Aug 05	WTI MIDLANDS	BP	BINH SON REFINING	600 PER MONTH	DTD LINKED	JUL-DEC	ARRIVAL

Aug 05	DJENO	MAJOR	CHINA END-USER	920	DTD+\$0.50	Sep-19	
Aug 05	LULA	PETROBRAS	CHINA END-USER	1,000	ICE + HIGH \$4.00	Oct-19	ARRIVAL
Aug 05	ALBA	TRADER	FUHAICHUANG	500	DTD LINKED PRICE	Sep-19	ARRIVAL
Aug 05	ORMEN LANGE	P&C	FUHAICHUANG	300-400	DTD LINKED PRICE	Sep-19	ARRIVAL
Aug 05	YAMAL	P&C	FUHAICHUANG	300-400	DTD LINKED PRICE	Sep-19	ARRIVAL

**OMIDDLE EAST CRUDE/CONDENSATE DEALS DONE**

Date	Grade	Seller	Buyer	Volume (kb)	Price	Timing	Remarks
Jul 31	L.S.C.	TRAFIGURA	HYUNDAI CHEMICAL	500	DUBAI-\$1.30/\$-1.40	Sep-19	FIXTURE DATE UNKNOWN
Aug 01	OMAN	MOG	CHINA END-USER	2,000	OSP+\$0.20	Oct-19	
Aug 02	DUBAI	TERM CONTRACTOR	JXTG	500	OSP+\$0.30/+\$0.40	Oct-19	
Aug 02	DUBAI	TERM CONTRACTOR	CHEVRON	500	OSP+\$0.30/+\$0.40	Oct-19	
Aug 02	OMAN	P&C	WONFULL	500-1,000	ICE LINKED	Oct-19	ARRIVAL

**OASIA-PACIFIC CRUDE/CONDENSATE DEALS DONE**

Date	Grade	Seller	Buyer	Volume (kb)	Price	Timing	Remarks
Jul 29	NWSC	GLENCORE	PERTAMINA (FOR TPPI)	650	DTD - \$2.00S	Oct-19	1-7 ARRIVAL, PRICE UPDATED
Jul 30	KIMANIS CONDY	CONOCO PHILLIPS	EXXONMOBIL	300	DTD-\$0.50	Sep-19	MID MONTH LOADING
Jul 30	KIMANIS CONDY	SHELL	HYUNDAI CHEMICAL	300	DTD LINKED	Aug-19	END MONTH LOADING
Jul 31	RANG DONG	PV OIL	BINH SON	200/MONTH	DTD+ MID/HIGH \$3.00	Oct-Mar 2020	
Aug 01	THANG LONG	PV OIL	P&C	250	DTD+ LOW/MID \$3.00	Sep-19	1-5 LOADING,BUYER UPDATED
Aug 01	KIMANIS	TIS PETROLEUM	BP	600	DTD LINKED	Sep-19	10-14 LOADING
Aug 01	KIMANIS	CONOCO PHILLIPS	BP	600	DTD LINKED	Sep-19	
Aug 02	WHEATSTONE	CHEVRON	SHELL	650	DTD-HIGH \$3.00	Sep-19	FIRST HALF LOADING
Aug 02	WHEATSTONE	CHEVRON	ENOC	650	DTD-HIGH \$3.00	Sep-19	SECOND HALF LOADING, BUYER UPDATED

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**○Benchmark Crude Summary, Aug 5, 2019**

The front-month October-loading Brent crude oil futures contract in electronic trading on the Intercontinental Exchange (ICE) as of 15:30 Tokyo time on Monday fell to \$61.00, down 90cts from the same time the previous day. Escalating US-China trade conflicts were reignited, putting downward

pressure on crude futures.

The September Dated Brent price, the benchmark for regional and arbitrage grades, as of 15:30 Tokyo time was at \$60.56, down 75cts from the same time the previous day. The October contract was down

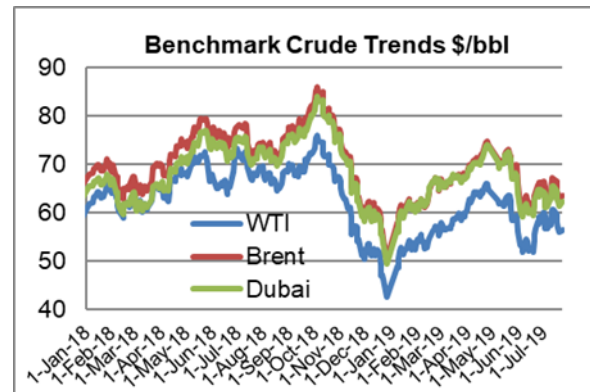


84cts at \$59.94. The DTD to Front Line (DFL) was at plus 10cts for September and at around flat for October.

The October Dubai paper, the benchmark price for Middle Eastern crude grades and Far East grades, was at \$57.98, down 90cts from the same time the previous day. In the trade of inter-month spread, the Nov/Dec contract was bid at plus 59cts. In the trade of Brent/Dubai EFS, the Oct contract was offered at \$3.17. The September WTI contract, benchmark for US and South American grades, fell 3cts to \$54.94.

Meanwhile, regarding the outlook for the front-month Brent crude contract, a corporate sales manager at a major commodity broker said that market sentiment would be weak in the short-term

period. There were growing views that US-China trade talks were unlikely to be solved anytime soon, which raised fears over the global economic slowdown and a fall in crude oil demand. "But the prices at around \$60 are sensed as attractive, which would lure buying. Therefore, it is uncertain whether the prices would fall below \$60," he said.



## ©MIDDLE EAST CRUDE/CONDENSATE

### ○Market Summary

Flat prices of October-loading Middle Eastern crude grades fell from late last week, mirroring a decline in the benchmark Dubai papers. Flat prices of Qatar Land trimmed losses on the back of the stronger spot differentials.

In floating based trade for October-loading grades linked to Dubai and official selling prices (OSPs), Qatar Land flipped into positive territory from

discounts late last week. The latest OSP for Qatar Land was sensed as extremely attractive, raising views that the crude would lure active buying. Apart from Qatari grades, the new OSPs for Saudi Arabian grades and Abu Dhabi grades were released.

### ○Saudi Arabia

#### Saudi cuts Sep AL OSP by 75cts on month

Saudi Arabia's state-run Saudi Aramco on Sunday set the September-loading OSP formula for the country's flagship Arab Light (AL) for Asian term buyers at a premium of \$1.70 per bbl to Dubai/Oman average, down 75cts from the previous month. Saudi Aramco apparently reduced the OSP as inter-month spreads for the benchmark Dubai papers considerably narrowed in July from the previous month and the size of the cut was largely within the market expectations. But the gap between Dubai and Oman widened sharply due to a

surge in the Oman values. Competitiveness of Saudi grades lowered against other Middle Eastern grades as Saudi Arabia uses Oman as a 50% component of the country's OSPs. Therefore, a Chinese refiner said, "Saudi Aramco should have reduced the AL OSP by close to \$1.00 to give consideration for end-users."

#### Light/heavy gap narrows sharply

Meanwhile, the OSP gap between Saudi Arabia's light/heavy grades narrowed sharply from the



previous month. The OSP formula for September-loading light grade Arab Extra Light (AEL) was set at a premium of \$1.70 to Dubai/Oman average, down 95cts from the previous month. The AEL price became equal to the AL OSP for the first time. On the back of increasing inflows of US WTI Midlands into Asia and worsening crack margins for naphtha, slack supply/demand fundamentals for light grades showed no signs of improving. Meanwhile, the OSP formula for September-loading heavy grade Arab Heavy (AH) was set at a premium of 65cts to Dubai/Oman average, down only 20cts from the previous month. Crack margins for fuel oil

recovered, which prevented the OSP formula for AH from falling sharply. The OSP formula for September-loading super light grade Arab Super Light (ASL) was revised downward by \$1.40 from the previous month. The size of the cut was the biggest among the five Saudi grades. In addition to depressed crack spreads for naphtha, Saudi Aramco apparently took into consideration that supplies for ASL would recover after an end of regular maintenance at production facilities in the oil field to set the OSP.

## ○Qatar

### **Oct Al Shaheen up on strong medium/heavy grades**

Spot differentials for October-loading Qatari Al Shaheen were assessed at premiums of \$2.27-2.32 to OSP, up 57cts from late last week. Markets for overall medium/heavy grades strengthened, which buoyed the Al Shaheen market. In addition to strong sentiment for Oman, Qatar Marine values also flipped into positive territory to OSP. Under the circumstances, the tradable levels for October-loading Al Shaheen should be revised upward to **levels** between the October-loading Dubai and the October-loading Oman, several market players pointed out.

informed its term buyers that the OSP for July-loading Qatar Land was set at a premium of \$1.70 to Dubai quotes, down 9cts from the previous month. While the size of the cut was slightly smaller than market expectation, the new OSP were set at considerably lower levels than medium grades Al Shaheen. Therefore, October-loading Qatar Land would be sensed as undervalued and would attract aggressive buying, some market players said. The tradable levels for October-loading Qatar Land might be 20cts higher than competing Abu Dhabi Murban, several market players outlooked.

### **Oct Land into positive territory on attractive OSP**

Spot differentials for October-loading Qatar Land were assessed at premiums of 13-18cts to OSP, up 20cts from late last week. The Qatar Land values flipped into positive territory. Demand was expected to recover, which supported the Qatar Land market. Qatar Petroleum (QP) on Monday

### **Jul Marine OSP reduced by 19cts on month**

In the trade of other Qatari grades, QP set the OSP for July-loading Qatar Marine at a premium of \$1.50 to Dubai quotes, down 19cts from the previous month. Like Qatar Land, the size of the cut was slightly smaller than market expectation.

## ○Abu Dhabi

### **Jul Murban OSP reduced by 14cts on month**

Spot differentials for October-loading Abu Dhabi Murban were assessed at discounts of 2-7cts to OSP, unchanged from late last week. Abu Dhabi National Oil Co (ADNOC) in the United Arab Emirates (UAE) set the July-loading OSP for Murban at a premium of \$2.90 to Dubai quotes, down 14cts from the previous month. A number of

market players had predicted that the OSP would be slashed by 10-20cts so that the OSP came largely as expected. The Murban OSP was perceived as slightly overvalued, compared with the rival crude Saudi Arabia's AEL, but some market players pointed out that any demand shift from AEL to Murban would be limited as extra supply

availability for AEL was small. Several market sources said that tradable levels for October-loading

Murban would be in the ranges of a discount of 10cts to flat to OSP.

## ODubai

### Occidental and Chinaoil sell Oct Dubai

Spot differentials for October-loading Dubai were assessed at premiums of \$1.77-1.82 to OSP, up 7cts from late last week. Based on the August/October inter-month spreads for Dubai papers, physical values for October-loading Dubai were calculated at a premium of around \$1.79 to Dubai quotes as of Monday afternoon. Meanwhile,

in the trade for physical Dubai for October-loading, JXTG Nippon Oil & Energy Corp and US Chevron bought one cargo each of Dubai s reported. It was later unveiled that US Occidental Petroleum and China National United Oil Corp (Chinaoil) sold these cargoes. The prices were said to be at a premium of 30-40cts to OSP as reported.

## OOman

### Oct Oman premiums widen

Spot differentials for October-loading Oman were assessed at premiums in the ranges of \$2.77-2.82 over Dubai quotes, sharply up 21cts from late last week. In the Dubai Mercantile Exchange (DME), the benchmark for Oman in the OTC market, September Oman values gained to premiums in the ranges of \$2.75-2.83 to Dubai quotes as of Friday evening.

(MOG) sold 2.00 mil bbl of Oman to a Chinese end-user through an auction held on the platform in the Dubai Mercantile Exchange (DME) as reported. It was later unveiled that the end-user was China National Chemical Corp (ChemChina). The price was at a premium of 20cts to OSP as reported. MOG sold these spot cargoes due to turnaround at Oman's 198,000 bbl per day (b/d) Sohar refinery.

### ChemChina wins DME auction

Meanwhile, Oman's Ministry of Oil and Gas

## ©AFRICA/EUROPE/RUSSIA/AMERICA CRUDE/CONDENSATE

### OMarket Summary

Flat prices for September to October loading crude grades in the Mediterranean Sea, Europe and Africa declined from late last week, mirroring a fall in the benchmark Dated Brent and Dubai papers.

In floating based trade linked to Dated Brent and Dubai quotes, spot premiums for Congo's Djeno for

September-loading widened. In addition, the DES Shandong market of Brazilian Lula firmed, indicating that crude grades favored by independent oil refiners in China were generally firm. Meanwhile, in the trade of US grades bound for Asia, WTI was sold to an end-user in Vietnam for July to December arrival.

## OCongo

### Sep Djeno gains on strong demand from China

Spot differentials for September-loading Congo's Djeno were assessed at premiums of 45-55cts to DTD Brent, up 15cts from late last week. Demand from China's independent refiners was healthy, which buoyed the Djeno market. Italy's ENI sold a

September-loading Djeno cargo to a Chinese end-user as reported. In addition, an equity holder seen as US Chevron apparently moved to sell Djeno cargoes. The last deal for these deals was done at a premium of around 50cts to DTD Brent.

## OSakhalin

### Exxon to issue Oct Sokol sell tender

In the trade of October-loading Sakhalin grades, US ExxonMobil was expected to issue a sell tender for Sokol this week. ExxonMobil had sold all of three Sokol cargoes to end-users in Japan and South Korea through its sell tender for September-loading Sokol as reported. It was later turned out that ExxonMobil sold all of the offered cargoes since planned maintenance at its refinery in

Thailand created the surplus avails. Turnaround at the Thai refinery would be completed in October, so that ExxonMobil was believed to sell one or two cargoes for October-loading as normal months. In other trades of October-loading Sokol, India's Oil and Natural Gas Corp (ONGC) will close on Aug 7 its sell tender for a cargo for Sep 28-Oct 5 loading as reported.

## OUS

### Thai end-users snap up US light grades

In the trade of US grades bound for Asia, end-users in Thailand led by Thai Oil and PTT Public Co moved to seek light grades including WTI Midlands for October arrival. Several cargoes were seen already booked to these end-users. As reported, US light grades led by WTI Midlands were more than well supplied to Asia and offered at more attractive prices than Middle Eastern light grades. "Any kind of end-users eye an opportunity to purchase US light grades," a Singapore-based end-user said.

### Binh Song buys WTI Midlands for Jul-Dec arrival

Meanwhile, Vietnam's Binh Song Refining and Petrochemical was said to have purchased one 600,000bbl cargo each of WTI Midlands for delivery into its 148,000 barrels per day (b/d) Dun Quat refinery between July to December. The seller was said to be British BP, though the price details were unknown. As reported, Binh Son picked up its first cargo WTI Midlands for April arrival from British BP.

## OCondensates

### Fuhaichuang buys arbitrage condys for Sep arrival

China's Fuhaichuang Petrochemical was found to have purchased Equatorial Guinean Alba, Russian Yamal and North Sea Ormen Lange in its condensate buy tender for September arrival. The seller on Alba was a trader. The trader apparently resold a cargo that was originally taken in a sell tender for August loading by US Marathon Oil.

Fuhaichuang was believed to have skipped awarded any grades in its condensate buy tender for September-arrival closed in early July. But the Chinese oil firm finally took the above three grades after patient negotiations with the tender participants.

## ODES Shandong

### Offers for Lula raised to ICE + above \$5.00

The DES Shandong market of Brazilian Lula for October arrival was assessed at premiums in the range of \$4.70-4.80 over ICE Brent, up 20cts from late last week. End-users in China continued to buy the crude. Brazil's state-owned Petrobras was engaged to selling the crude to China and the latest deal for Lula was heard done at a premium of

\$4.70-4.80 to ICE Brent on a DES basis. The current offer for Lula was raised to a premium of more than \$5.00 to ICE Brent on a CFR basis.

Meanwhile, Chinese teapot refinery Wonfull Petrochemical was said to have purchased a West African grade on top of Oman in its crude buy tender closed early last week. Wonfull acquired an

additional crude import quota of 1.25 mil mt at the end of June from the Chinese government.

## ◎ASIA PACIFIC CRUDE/CONDENSATE

### ○Market Summary

Flat prices of September-loading regional grades dipped from late last week, reflecting falls in the benchmark Dated Brent and ICP.

In floating based trade linked to Dated Brent and ICP for September loading, Indonesia's state-owned Pertamina skipped a buy tender for October arrival

condensates for the country's petrochemical firm TPPI closed on Jul 31. But after that, Pertamina reissued a condensate buy tender. Elsewhere, it turned out that Emirates National Oil Co (ENOC) in the United Arab Emirates (UAE) purchased Australia's Wheatstone.

### ○Condensates

#### **ENOC buys second-half Sep Wheatstone**

In the trade of September-loading Australia's condensates, US Chevron sold two cargoes of Wheatstone condensate as reported. It later turned out that ENOC in UAE purchased 650,000bbl of Wheatstone for second-half September loading. ENOC purchased the condensate for the first time since its purchase for March-loading. Meanwhile, Royal Dutch Shell bought the other cargo for first-half September loading. These cargoes were both traded at discounts of high \$3.00 to Dated Brent as reported.

#### **Pertamina skips condensate buying for TPPI via tender**

Indonesia's state-owned Pertamina skipped condensate buying for 650,000bbl for Oct 11-15 arrival in its tender for the country's state-owned

TPPI for Oct 11-15 arrival. This was because that offers failed to meet the company's targets.

#### **Pertamina issues third tender for TPPI for Oct arrival**

Pertamina issued the third buy tender for October arrival condensate for TPPI. It was seeking 650,000bbl each for 11-15 and 21-25 arrival. Of these cargoes, the cargo for 11-15 arrival failed to be awarded in the tender closed on Jul 31, so that Pertamina was seeking the same arrival cargo in the tender this time. The tender will close on Wednesday, with validity until Friday.

### ○Vietnam

#### **Exxon to bring some Sep Vietnamese grades to NZ**

In the trade of September-loading Vietnamese grades, US ExxonMobil purchased 200,000bbl of Song Doc for 6-12 loading in a tender by PV Oil at a premium of mid to high \$4.00 to Dated Brent as reported. It was relatively rare for ExxonMobil to buy Song Doc. In addition to the cargo, ExxonMobil secured all of three cargoes of September-loading Australia's Ichthys condensate, indicating that the major purchased a large chunk of regional grades. It was now believed that the major secured these

cargoes to bring some of them to the 135,000 barrels per day (b/d) Marsden Point Refinery operated by Refining New Zealand. ExxonMobil, British BP and Royal Dutch Shell supply crude oil to the refinery by turns. Majors like ExxonMobil and BP have interests in the Refining NZ. Furthermore, market players also believed that the major could supply some of these cargoes to its subsidiary Jurong Aromatics or for trading purpose.

### ○Rim Trading Board

On the Rim Trading Board (RTB) as of 15:30 Tokyo time on Monday, Lukoil Asia Pacific bid for September-loading Indonesian Attaka/Ardjuna

paper spread in 50,000bbl at \$5.50 in favor of Attaka. Lukoil also bid for Indonesian Attka/Belida spread at \$ 3.50 in favor of Attaka.

### ©NYMEX WTI/ICE Brent, Aug 2

WTI crude futures on the NYMEX bounced back sharply last Friday. The front-month September contract ended at \$55.66 per barrel (bbl), up \$1.71 from the previous day. The contract was \$1.21 lower than one week ago.

Buying emerged as current values were regarded as attractive after plunges in the floor trade the previous day. US President Donald Trump said on Thursday that the US will impose additional punitive tariffs against China. The remarks raised concerns of escalating US-China trade conflicts, which led to a plunge in the floor trade the previous day.

US oil field services company Baker Hughes said

that US drillers decreased 6 oil rigs in the week to Aug 2, bringing the total count to 770. The rig count fell for a fifth straight week, which raised prospects of tightening supply/demand fundamentals, which was also regarded as a bullish factor.

North Sea Brent crude futures on the ICE also rebounded. The October contract ended at \$61.89/bbl, up \$1.39 from the previous day. The contract was \$1.73 lower than one week ago.

In NYMEX products, both heating oil and RBOB gasoline bounced back. The September heating oil contract ended at 189.02cts, up 3.73cts/gallon from the previous day. The September contract of RBOB gasoline gained to 178.15cts, up 3.16cts/gallon.

### ©MARKET NEWS

#### ○Singapore crude throughput at 1.26 mil b/d, up 1.6% on week

Combined crude oil throughput for refiners in Singapore was at 1.26 mil barrels per day (b/d) as of Aug 2, up 1.6% on week, according to a Rim survey of operating rates. The current figure equates to a utilization rate of 90.3% of the nation's total refining capacity of 1.39 mil b/d.

#### Singapore crude run rates

Capacity	Shell		ExxonMobil		SRC		Total	
	500,000	b/d	605,000	b/d	290,000	b/d	1,395,000	b/d
2019/8/2	90.0	%	90.9	%	89.7	%	90.3	%
	450,000	b/d	550,000	b/d	260,000	b/d	1,260,000	b/d
2019/7/26	88.0	%	90.9	%	86.2	%	88.9	%
	440,000	b/d	550,000	b/d	250,000	b/d	1,240,000	b/d
2019/7/19	88.0	%	90.9	%	86.2	%	88.9	%
	440,000	b/d	550,000	b/d	250,000	b/d	1,240,000	b/d
2019/7/12	88.0	%	90.9	%	86.2	%	88.9	%
	440,000	b/d	550,000	b/d	250,000	b/d	1,240,000	b/d

#### ○Saudi Aramco cuts Sep Arab light OSP for Asia by 75cts on month

Saudi Arabia's state-run Saudi Aramco on Sunday set the formula of its official selling price (OSP) for September-loading Arab Light (AL) crude for Asian term buyers at a premium of \$1.70 per barrel (bbl) to the average September-loading Dubai Oman average, down 75cts from the previous month. The OSP was cut as inter-month spreads for Dubai papers narrowed from the previous month.

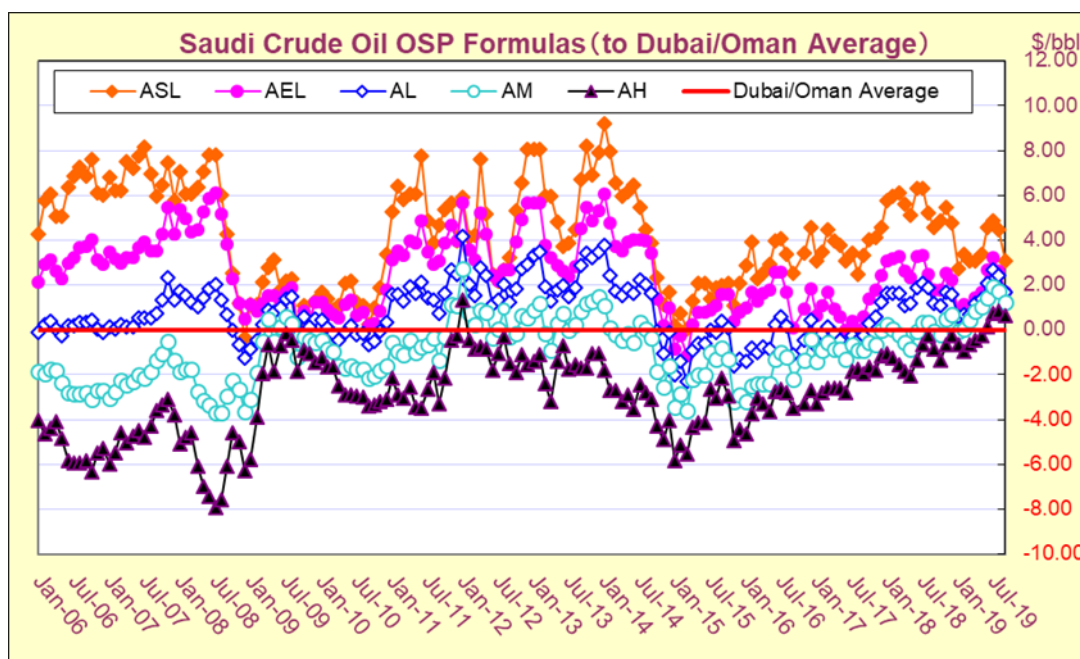
Meanwhile, the gap between light grade Arab Extra Light (AEL) and heavy grade Arab Heavy (AH) narrowed 75cts from the previous month to \$1.05/bbl in favor of AEL. While crack margins for naphtha worsened further, crack spreads for fuel oil recovered. Saudi Aramco apparently took the situation into



consideration to set the new OSP.

Elsewhere, the OSP formula for Arab Super Light (ASL) and Arab Medium (AM) were reduced by \$1.40 and 50cts from the previous month respectively.

	ASL	AEL	AL	AM	AH
19/Sep	+3.05 (-1.40)	+1.70 (-0.95)	+1.70 (-0.75)	+1.25 (-0.50)	+0.65 (-0.20)
19/Aug	+4.45 (-0.40)	+2.65 (-0.55)	+2.45 (-0.25)	+1.75 (-0.20)	+0.85 (+0.10)
19/Jul	+4.85 (+0.30)	+3.20 (+0.50)	+2.70 (+0.60)	+1.95 (+0.50)	+0.75 (+0.60)
19/Jun	+4.55 (+1.20)	+2.70 (+1.00)	+2.10 (+0.70)	+1.45 (+0.40)	+0.15 (+0.40)
19/May	+3.35 (+0.30)	+1.70 (+0.25)	+1.40 (+0.20)	+1.05 (+0.20)	-0.25 (+0.20)
19/Apr	+3.05 (unch)	+1.45 (+0.50)	+1.20 (+0.50)	+0.85 (+0.40)	-0.45 (+0.20)



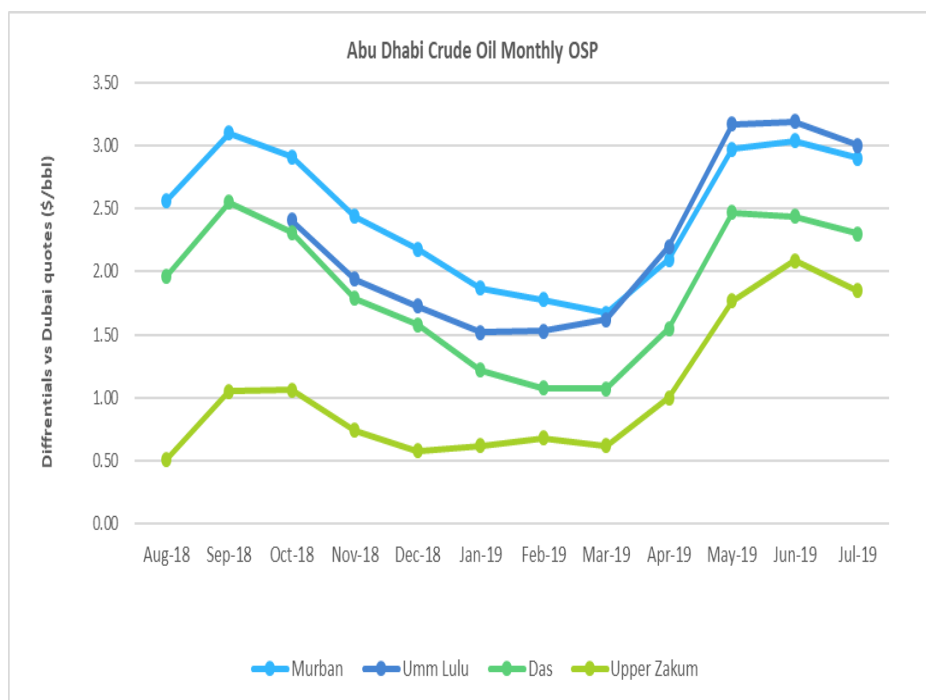
### OADNOC sets Jul Murban OSP at \$66.15, up \$1.35 on month

Abu Dhabi National Oil Co, or ADNOC, in the United Arab Emirates (UAE) on Monday set the July-loading official selling price for Murban at \$66.15/barrels (bbl), up \$1.35 from the previous month. The rise came after the benchmark Dubai crude prices in July gained by \$1.495 from the previous month. ADNOC also raised July-loading OSPs for Umm Lulu, Das and Upper Zakum from the previous month.

Meanwhile, the spread between July Murban OSP and the July Dubai crude price of \$63.254 narrowed 14cts from the previous month to \$2.90 in favor of Murban. In the September-loading spot trade which ADNOC refers to set the OSP, After the deal were done at a discount 45cts to OSP in the early trading cycle, deal prices gradually recovered amid improving crack margins. Equity holders turned from seller to buyer in the middle of trading cycle, which buoyed the Murban values to small discounts to flat to OSP. ADNOC apparently took the situation into consideration to cut the new OSP slightly.

	Murban	Umm Lulu	Das	U.Zakum	Murban vs Dubai
19/Jul	66.15 (+1.35)	66.25 (+1.30)	65.55 (+1.35)	65.10 (+1.25)	+2.90
19/Jun	64.80 (-7.55)	64.95 (-7.60)	64.20 (-7.65)	63.85 (-7.30)	+3.04
19/May	72.35 (-0.70)	72.55 (-0.60)	71.85 (-0.65)	71.15 (-0.80)	+2.97
19/Apr	73.05 (+4.45)	73.15 (+4.60)	72.50 (+4.50)	71.95 (+4.40)	+2.10

19/Mar	68.60	(+2.25)	68.55	(+2.45)	68.00	(+2.35)	67.55	(+2.30)	+1.67
19/Feb	66.35	(+5.40)	66.10	(+5.50)	65.65	(+5.35)	65.25	(+5.55)	+1.78



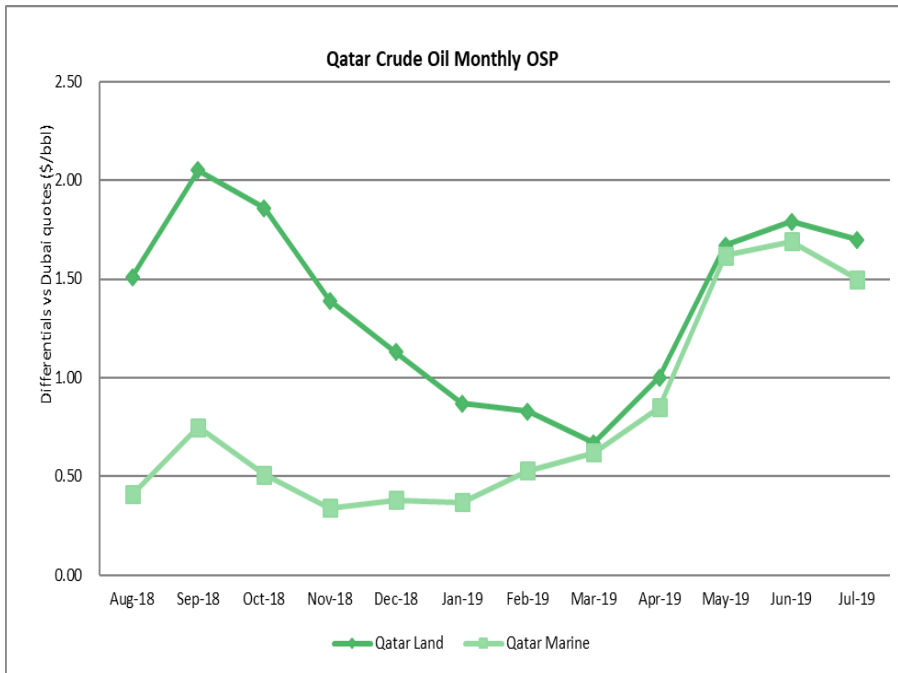
**OQP sets Jul Marine OSP at \$64.75, up \$1.30 on month**

Qatar Petroleum (QP) on Monday set the official selling price (OSP) for July-loading Qatar Marine at \$64.75/barrel (bbl), up \$1.30 from a month earlier. The price firmed as the benchmark Dubai crude prices plunged by \$1.495/bbl in July from the previous month. Meanwhile, QP at the same time set the OSP for July-loading Qatar Land at \$64.95/bbl, up \$1.40 from the previous month.

The spread between July Qatar Marine OSP and the average July Dubai crude price of \$63.254/bbl was at \$1.50/bbl in favor of Qatar Marine, narrowing 19cts/bbl from the previous month. In the September-loading trade for Qatar Marine which QP refers to set the OSP, most Qatar Marine cargoes were sold at discounts of 20-30cts to OSP. Amid improving crack margins for fuel oil in Asia, QP apparently took the highest deal price into consideration and cut the OSP slightly.

	Term prices		against Dubai quotes	
Qatar Land	\$64.95 (up	\$1.40)	+1.70	(-0.09)
Qatar Marine	\$64.75 (up	\$1.30)	+1.50	(-0.19)




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